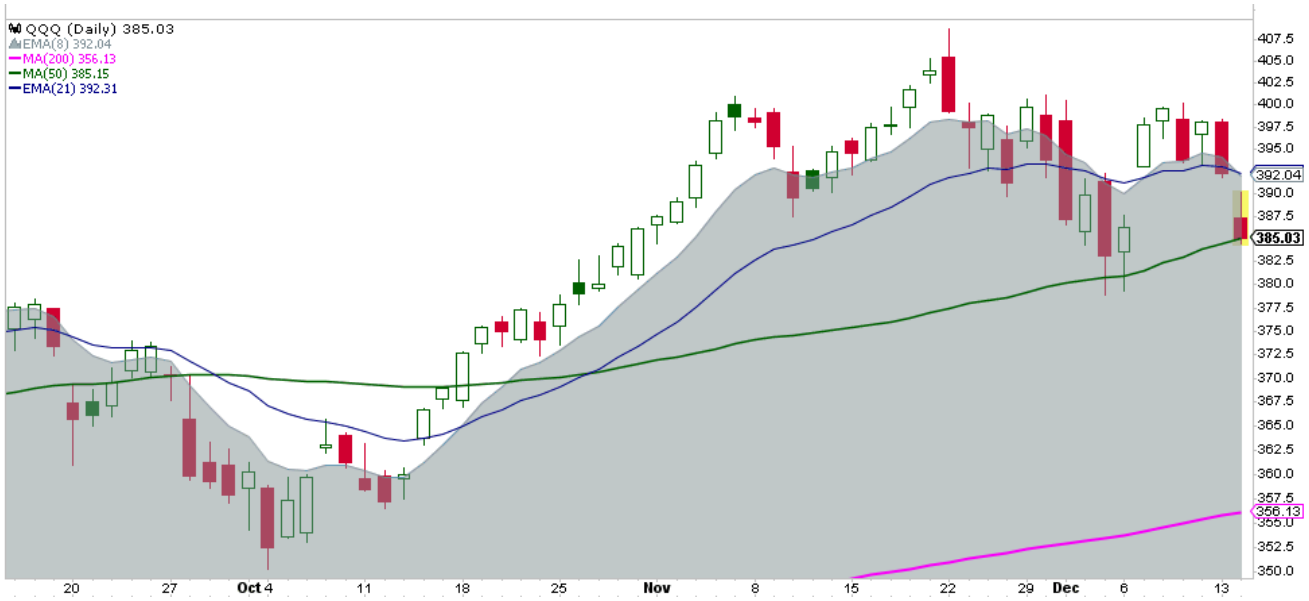
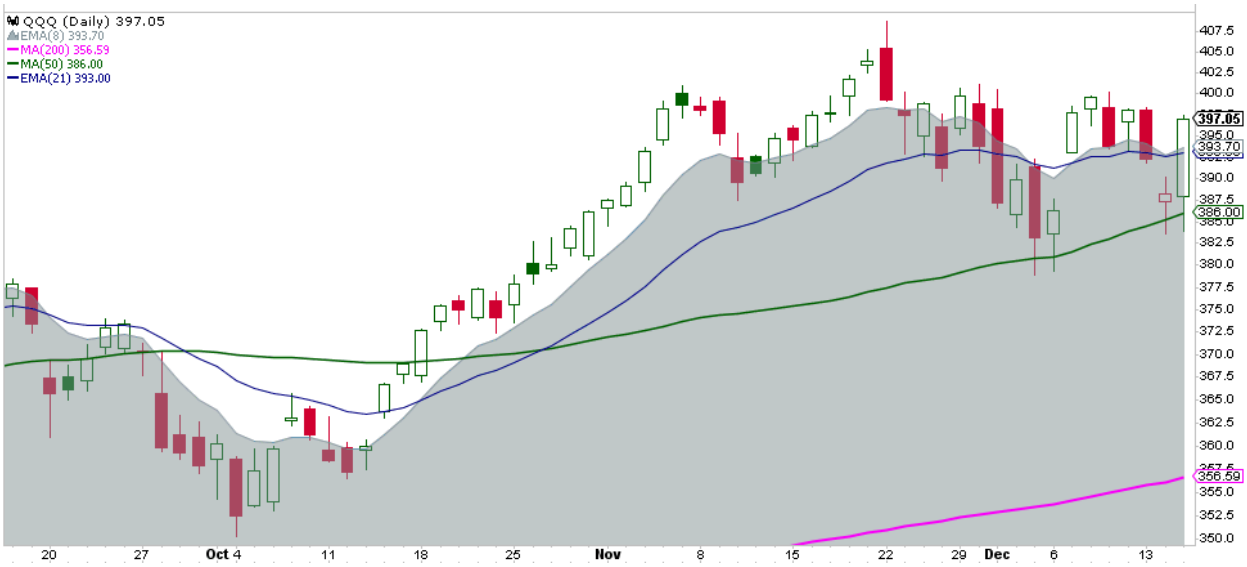
Introduction of a scanner "*95' Leaders*".
15 December 2021

Yesterday I noted for subscribers of my **Premium Trading chat** that QQQ managed to hold support of 50 MA:

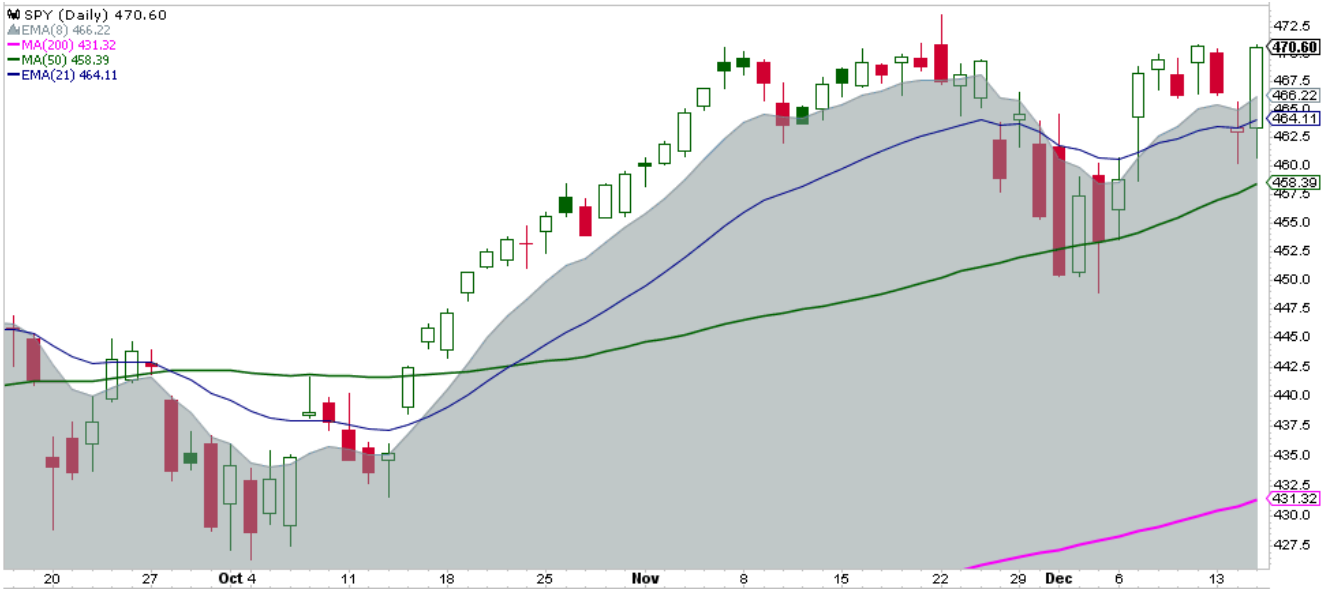


As long as price holds over support of upward sloped 50 Day Moving Average a stock is considered in an up trend. The very next day QQQ produced a strong rally after successfully testing that support:



Note that QQQ managed to close over 8 EMA (gray zone) and 21 EMA (blue line). By doing that the stock triggered a buy signal.

Note that SPY looks almost identical to QQQ, it tested support of 21 EMA (the blue line) and popped up out of the gray zone triggering a buy signal:



That framework not only allows me to evaluate whether a stock is in up trend, down trend or in directionless whipsaw but also lets

me use those moving averages and their location in relation to each other to find stocks with a similar look.

When a market bounces hard off a support the main question for a trader is “what to buy?”. Newbie traders often make stupid mistake by buying the most oversold stocks. In contrast, pro traders will instead be looking for stocks that held stronger than the market over the course of the preceding corrective decline.

I am adding another custom code that I called “***95' Leaders***”. Once you have a code you can simply copy-paste it into a scanner and run:

//(c) CastAwayTrader.com, 2021

[country is US]

and [optionable is true] and

[type is stock] and

[sma(20,volume) > 400000] and

[SCTR >95] and

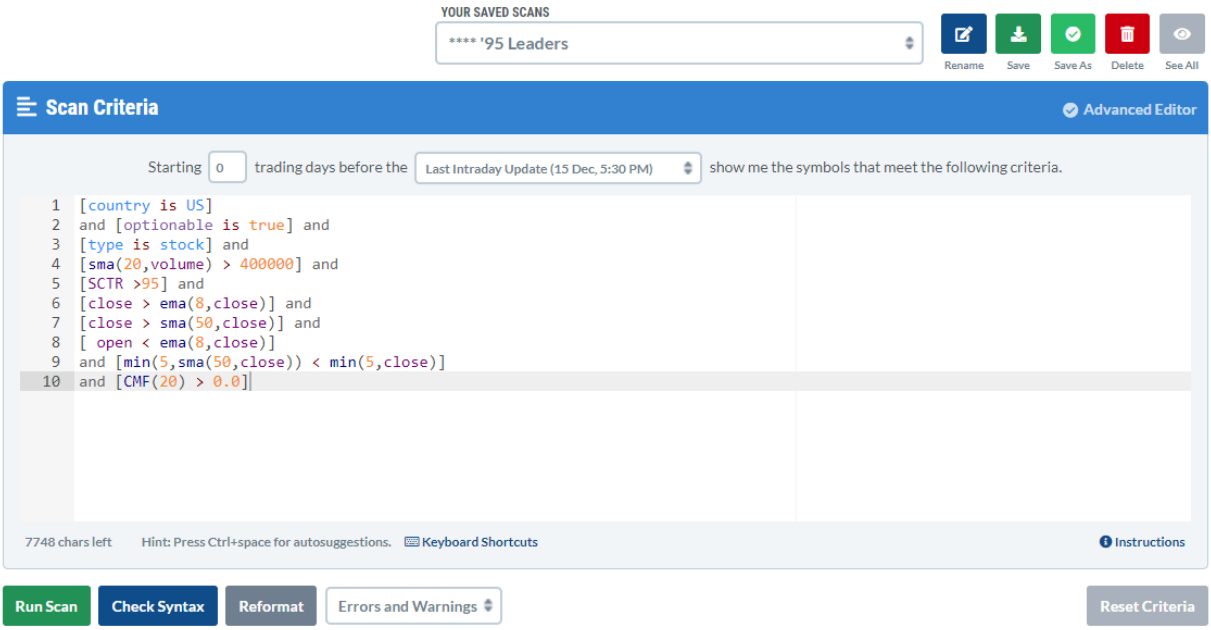
[close > ema(8,close)] and

[close > sma(50,close)] and

[open < ema(8,close)]

and [min(5,sma(50,close)) < min(5,close)]

and [CMF(20) > 0.0]



One of the benefits of working with a scanner at stockcharts.com is that it allows us to filter stocks using relative strength. Many traders know that IBD.com calculates relative strength for stocks and that is probably the most important criteria for their famous IBD 50 stock list.

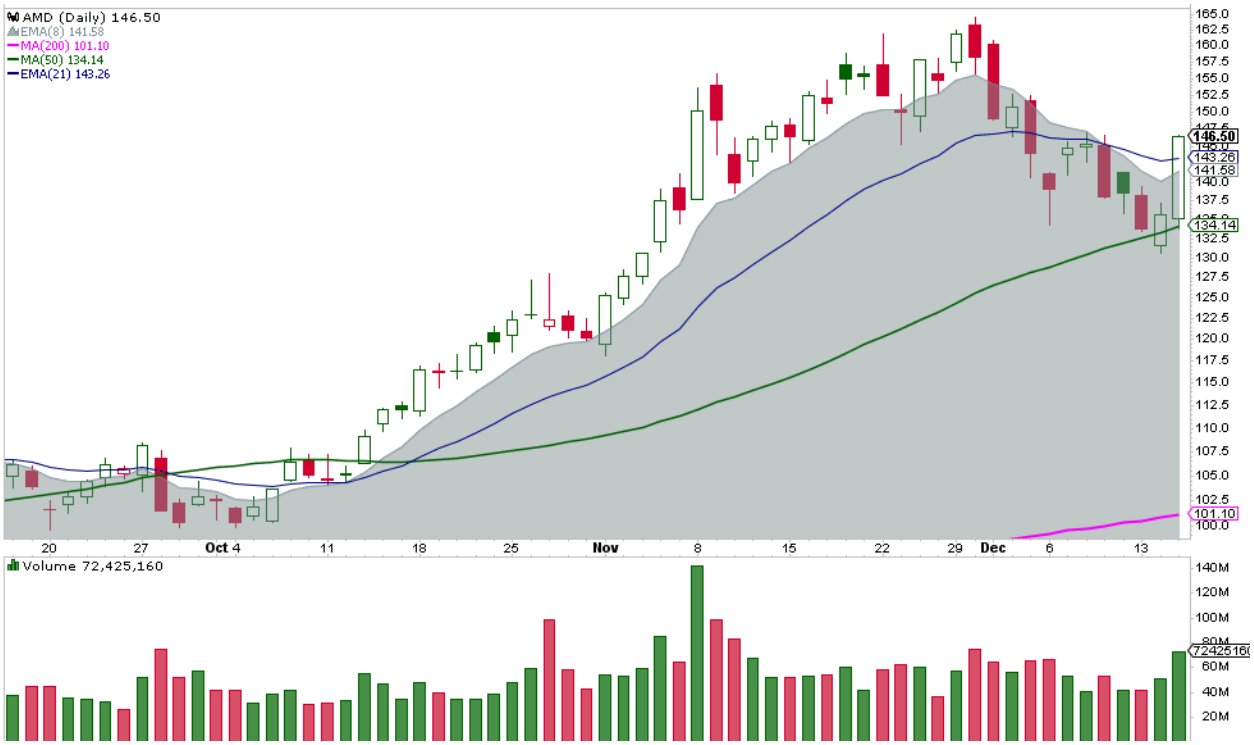
The StockCharts Technical Rank (SCTR) is a numerical score that ranks a stock within a group of stocks. Stocks are assigned a score based on six key indicators covering different timeframes. These

indicators scores are then sorted and assigned a technical rank. By using SCTR in your custom scanner you can quickly identify the technical leaders within a specific group.

Now let's see what stocks my code has found tonight:

	Symbol	Name	Exchange	Sector	Industry	SCTR	U	Close	Volume
	ACLS	Axcelis Technologies, Inc.	NASD	Technology	Semiconductors	98.5	sml	67.250	474347
	AMD	Advanced Micro Devices, Inc.	NASD	Technology	Semiconductors	99.4	lrg	146.500	72425158
	AOSL	Alpha and Omega Semiconductor Ltd.	NASD	Technology	Semiconductors	99.4	sml	53.160	849392
	AQUA	Evoqua Water Technologies Corp.	NYSE	Industrial	Waste & Disposal Services	95.7	mid	46.250	613540
	ARLO	Arlo Technologies, Inc.	NYSE	Technology	Software	95.2	sml	8.830	1377560
	CDNS	Cadence Design Systems, Inc.	NASD	Technology	Software	95.1	lrg	184.270	1813149
	COST	Costco Wholesale Corp.	NASD	Consumer Staples	Personal Products	98.7	lrg	565.480	2937038
	DLTR	Dollar Tree, Inc.	NASD	Consumer Discretionary	Specialty Retailers	97.9	lrg	140.050	3334123
	EXTR	Extreme Networks, Inc.	NASD	Technology	Telecom Equipment	96.0	sml	13.890	1355379
	F	Ford Motor Co.	NYSE	Consumer Discretionary	Automobiles	98.1	lrg	20.190	79679722
	GRBK	Green Brick Partners, Inc.	NYSE	Real Estate	Real Estate Development	96.0	sml	30.440	363419
	HMHC	Houghton Mifflin Harcourt Co.	NASD	Communication Services	Publishing	96.7	sml	15.700	810256
	ITB	iShares U.S. Home Construction ETF	NYSE			99.2	etf	81.470	4351998
	IVW	iShares S&P 500 Growth ETF	NYSE			98.3	etf	83.390	2231832
	IWF	iShares Russell 1000 Growth ETF	NYSE			96.2	etf	303.780	2187125
	KEYS	Keysight Technologies Inc.	NYSE	Technology	Electronic Equipment	96.0	lrg	204.010	1082049
	LSCC	Lattice Semiconductor Corp.	NASD	Technology	Semiconductors	96.0	mid	77.200	1232250
	MXL	MaxLinear Inc.	NASD	Technology	Semiconductors	99.3	mid	74.180	784819
	NVDA	NVIDIA Corp.	NASD	Technology	Semiconductors	99.2	lrg	304.590	69829341
	NVO	Novo Nordisk A S	NYSE	Health Care	Pharmaceuticals	97.1	lrg	116.460	817898
	ON	ON Semiconductor Corp.	NASD	Technology	Semiconductors	99.7	lrg	65.280	7392758
	QQQ	Invesco QQQ Trust	NASD			96.9	etf	397.050	73857528
	SMH	VanEck Vectors Semiconductor ETF	NASD			99.5	etf	310.160	5418367
	SOXX	iShares PHLX Semiconductor ETF	NASD			99.6	etf	540.500	781384
	SPYG	SPDR S&P 500 Growth ETF	NYSE			98.4	etf	72.360	3139396
	SYNA	Synaptics, Inc.	NASD	Technology	Computer Hardware	99.5	mid	280.870	454909
	TSCO	Tractor Supply Co.	NASD	Consumer Discretionary	Specialty Retailers	95.7	lrg	236.970	754959
	TTM	Tata Motors Ltd.	NYSE	Industrial	Commercial Vehicles	97.8	lrg	32.150	1219399
	VGT	Vanguard Information Technology ETF	NYSE			98.5	etf	457.670	495765
	VIG	Vanguard Dividend Appreciation ETF	NYSE			95.6	etf	170.130	3477411
	XLK	Technology Select Sector SPDR Fund	NYSE			99.1	etf	173.940	14135393

Look how similar those stocks look like in comparison to charts of QQQ and SPY we reviewed above:



$AMD tested support of an upward sloped 50 DMA and popped up strongly breaking out over resistance of 21 EMA (the blue line) and 8 EMA (gray area).

$AOSL is another semiconductors company that found support at 21 EMA this week and managed to trigger a buy signal by closing over 8 EMA.

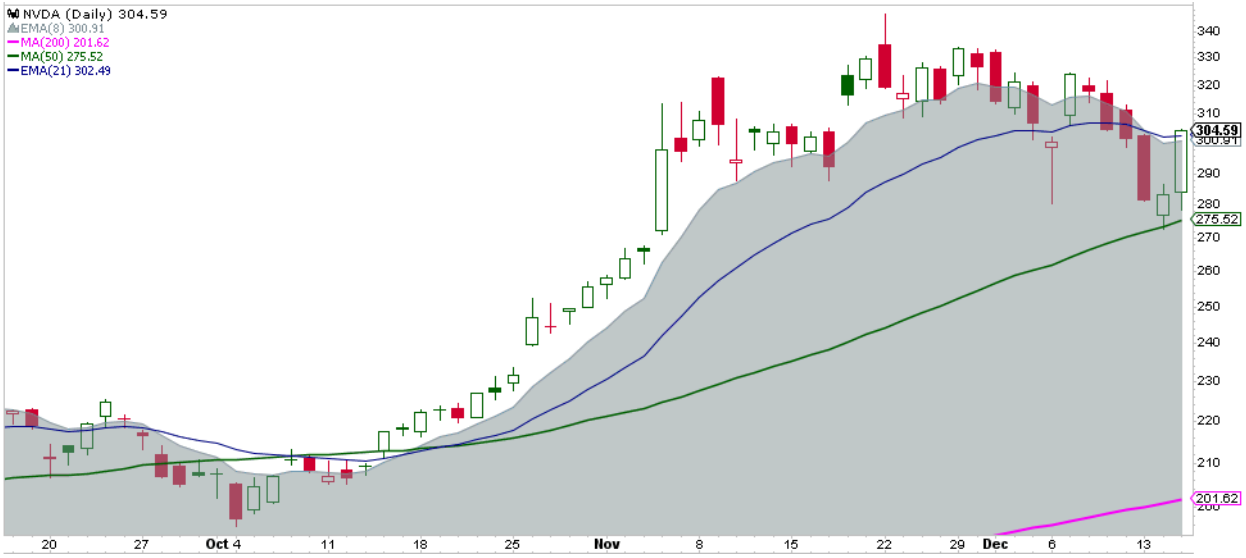
$EXTR found support at 21 EMA and popped up over resistance of 8 EMA.

$HMHC has been consolidating since the beginning of November 2021 and has tested support of 50 MA twice. As you can see, that consolidation is shaped as a large bullish wedge that looks for a breakout.

$IWF is iShares Russell-1000 Growth ETF and it has a great bullish look. It tested support of 50 DMA and jumped over resistance of 21 EMA and 8 EMA.

MXL MaxLinear Inc. Nasdaq GS
©StockCharts.com
Technology / Semiconductors
Wednesday 15-Dec-2021
Open: 72.11 Ask: P/E: -469.20 Options: yes
High: 74.28 Ask Size: EPS: -0.16 Annual Dividend: N/A
Low: 70.14 Bid: Mkt Cap: 5.71B Yield: N/A
Prev Close: 72.25 Bid Size: Last Size: SCTR (Mid): 99.3
+2.67%
Chg: +1.93
Last: 74.18
Volume: 784,819
RSI(14) 61.54
MXL (Daily) 74.18
EMA(8) 72.30
MA(200) 47.14
MA(50) 62.92
EMA(21) 69.95
20 27 Oct 4 11 18 25 Nov 8 15 22 29 Dec 6 13

$MXL is another semiconductor company that has been consolidating in a tight range. You can see that similar range bound consolidations were followed by strong thrusts to new higher highs.



$NVDA is another semiconductor company that tested support of 50 DMA and jumped over resistance of 21 EMA and 8 EMA.

As you can see, when you look at stock charts through the lens of specific layout those patterns look much easier to recognize.